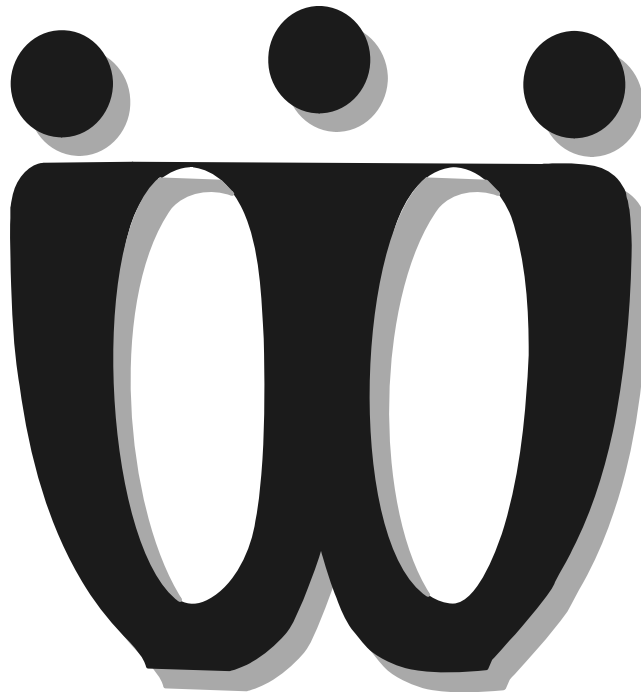


91st ANNUAL REPORT
2010 - 2011



**WALCHAND
PEOPLEFIRST**

WALCHAND PEOPLEFIRST LIMITED



**DALE CARNEGIE®
TRAINING**



PerformanSe
Man as direct participant in his own development



**WALCHAND
DALE CARNEGIE**
FINISHING SCHOOL

BOARD OF DIRECTORS

Ms. PALLAVI JHA - CHAIRPERSON & MANAGING DIRECTOR

Mr. SANJAY JHA

Mr. M.N. BHAGWAT

Dr. S.C. JHA

Mr. V.K.VERMA

Mr. RAJEEV DUBEY

Mr. VIJAY GUPCHUP

COMPLIANCE OFFICER

Mr. VIVEK WADHAVKAR

AUDITORS

M/s. K. S. AIYAR & CO.,

CHARTERED ACCOUNTANTS

BANKERS

STANDARD CHARTERED BANK

HDFC BANK LTD.

REGISTERED OFFICE

1, CONSTRUCTION HOUSE,

5, WALCHAND HIRACHAND MARG,

BALLARD ESTATE, MUMBAI- 400 001

TEL NO: 67818181

FAX: 22610574

Email: vivek@walchandgroup.com

Website : www.walchandpeoplefirst.com

REGISTRAR & TRANSFER AGENT

M/s. COMPUTECH SHARECAP LIMITED

“COMPUTECH”, 147, MAHATMA GANDHI ROAD,

FORT, MUMBAI – 400 023

TEL : 22635001 /5002

FAX: 22635005

E-MAIL : helpdesk@compu-techsharecap.com

INFORMATION FOR SHAREHOLDERS
91ST ANNUAL GENERAL MEETING

DATE : 28-07-2011 (Thursday)
TIME : 3.00 P.M.
VENUE : WALCHAND HIRACHAND HALL
INDIAN MERCHANT CHAMBERS,
IMC MARG, CHURCHGATE,
MUMBAI - 400 020.
DATE OF BOOK : July 21, 2011 to July 28, 2011
CLOSURE (BOTH DAYS INCLUSIVE)

CONTENTS	PAGE NO.
NOTICE	1
DIRECTORS' REPORT	11
CORPORATE GOVERNANCE REPORT	17
AUDITORS REPORT	28
BALANCE SHEET	31
PROFIT & LOSS ACCOUNT	32
SCHEDULES TO ACCOUNTS	33
CASH FLOW STATEMENT	51
ADDITIONAL INFORMATION UNDER PART IV OF SCHEDULE VI	52
ATTENDANCE SLIP AND FORM OF PROXY	

NOTICE

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Ninety-First Annual General Meeting of WALCHAND PEOPLEFIRST LIMITED will be held at Walchand Hirachand Hall, Indian Merchants' Chamber, IMC Marg, Churchgate, Mumbai – 400 020 on Thursday, July 28, 2011 at 3.00 P.M. to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2011, Profit and Loss Account for the Financial Year ended on that date and the Reports of the Auditor's and the Directors' thereon.
2. To appoint a Director in place of Mr. V. K. Verma, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Ms. Pallavi Jha, who retires by rotation and being eligible, offers herself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:-

“RESOLVED THAT M/s. K. S. Aiyar & Co., Chartered Accountants, Mumbai, being retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company to hold the office from the conclusion of the ensuing Annual General Meeting until conclusion of the next Annual General Meeting, on such remuneration as may be determined by the Chairperson in consultation with the Auditors, in addition to reimbursement of service tax and all out of pocket expenses in connection with the audit of the Accounts of the Company, which remuneration may be paid on existing terms to be agreed between the Auditors and the Chairperson.”

Special Business

5. To consider and if thought fit, to pass the following resolution with or without modification(s) as **Ordinary Resolution**:
“RESOLVED THAT pursuant to the provisions of Section 16 and 94 and other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) as altered from time to time including the rules and regulations made thereunder and the provisions of Article 69 of the Articles of Association of the Company and subject to the necessary approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, consent of the members of the Company be and is hereby accorded to sub-divide the equity shares of the Company, including the paid-up shares, such that each existing 1 Equity share of the Company of the face value of Rs. 100/- (Rupees Hundred Only) each be sub-divided into 10 Equity shares of the face value of Rs. 10/- (Rupees Ten Only) each and accordingly the existing Authorised Share Capital of the Company of Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) shall comprise of 2,30,00,000 (Two Crore Thirty Lacs) Equity shares of Rs. 10/- (Rupees Ten Only) each and 2,00,000 (Two Lacs) Preference Shares of Rs. 100/- (Rupees Hundred Only) each and that the existing Clause V of the Memorandum of Association of the Company be and is hereby substituted by the following new clause-
“V. The Authorised Share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 2,30,00,000 (Two Crore Thirty Lacs) Equity shares of Rs. 10/- (Rupees Ten Only) each and 2,00,000 (Two Lacs) Preference Shares of Rs. 100/- (Rupees Hundred Only) each,

with such rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being, with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to classify and re-classify such shares into several class or classes and attach thereto respectively such preferential, deferred, qualified, or special rights, privileges and conditions as may be determined by or in accordance with the Articles of Association of the Company or legislative provisions for the time being in force on that behalf and to vary, modify, restrict or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.”

“RESOLVED FURTHER THAT Ms. Pallavi Jha, Chairperson & Managing Director and Mr. Sanjay Jha, Whole-time Director of the Company be and are hereby jointly and severally authorised to fix the record date in accordance with the provisions of the Listing Agreement, to issue new share certificates representing the sub-divided equity shares with new distinctive numbers consequent upon the sub-division of shares as aforesaid and/or credit the shareholders' accounts maintained with the Depositories, subject to the rules as laid down in the Companies (Issue of Share Certificates) Rules, 1960, and the Articles of Association of the Company and to inform the Depositories and the Registrar & Transfer Agents of the Company, and such other authorities and execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board or to any Committee thereof or to any Director(s) or any other officer(s) of the Company and to do all the things, deeds and acts as necessary and incidental to give effect to this resolution.”

6. To consider and if thought fit, to pass the following resolution with or without modification(s) as **Special Resolution**:
“RESOLVED THAT pursuant to Section 31 of the Companies Act, 1956, the existing Clause 4 of the Articles of Association of the Company be and is hereby substituted by the following new clause-
“The Authorized Share Capital of the Company shall be such amounts and be divided into such shares as may from time to time, be provided in Clause V of the Memorandum of Association with power to increase the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original or increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law”.
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:
“RESOLVED THAT in supersession of the resolution passed by the Members at the 90th Annual General Meeting of the Company held on August 30, 2010 and pursuant to the provisions of Sections 198, 269, 309, 310 and 311 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with and in accordance with the conditions specified in Schedule XIII to the said

Act, pursuant to the Articles of Association of the Company and subject to the approval of the Shareholders of the Company by way of the Special Resolution and the Central Government and such other approvals as may be necessary and as recommended and approved by the Remuneration Committee, the Board of Directors hereby approves the re-appointment of Ms. Pallavi Jha, as Managing Director of the Company with effect from April 01, 2011 on the fresh terms & conditions including remuneration as are set out at clauses A to F below:

A. Period of Appointment : 01.04.2011 to 31.03.2014 (3 years)

B. Salary : Rs. 24, 00,000 /- (*Rupees Twenty Four Lacs Only*) per annum. Increment upto 20% per annum as may be decided by the Board of Directors / Remuneration Committee.

C. Perquisites:

In addition to Salary, a basket of allowances/perquisites upto Rs. 10 lacs per annum, which will include reimbursement of expenditure or allowances in respect of rent-free furnished accommodation owned, leased or rented by the Company or House Rent Allowances in lieu thereof, repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursement, health insurance premium, group personal accident insurance, telephone facility at residence, mobile phone, leave travel concession, for herself and her family; education of self and family, fees for two clubs, fees for two credit cards, Company's car with a driver and maintenance, and any other reimbursements, allowances or perquisites in terms of the Company's Rules.

"Family" mentioned above means the spouse, dependent parent and dependent children of the Managing Director, as mentioned in the applicable Rules or Schemes.

The following shall not be included for the purpose of computation of the Managing Director's remuneration or perquisites as aforesaid:

- (i) Company's contribution to Provident Fund and Superannuation Fund pursuant to the Rules of the Company;
- (ii) Gratuity payable pursuant to the Rules of the Company;
- (iii) Encashment of leave at the end of tenure as per the Rules of the Company.
Perquisites shall be evaluated as per the applicable provisions of the Income Tax Rules.

D. Commission/ Performance Pay

Such amount for each financial year as may be decided by the Board, subject to the maximum of 6 months salary.

E. Minimum Remuneration:

Where in any financial year during the currency of her tenure as a Managing Director, the Company has no profits or its profits are inadequate, Ms. Pallavi Jha shall be entitled to receive above remuneration including perquisites, commission / performance pay, etc. as minimum remuneration.

F. Termination: The appointment is liable for termination by either party giving 6 months' notice in writing to the other.

RESOLVED FURTHER THAT the resolution passed at the Annual General Meeting held on August 30, 2010 intended to be superseded hereby shall cease to have effect from 1st April, 2011.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 198, 269, 309, 310 and 311 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with and in accordance with the conditions specified in Schedule XIII to the said Act, till the approval of the Central Government is received, the Managing Director- Ms. Pallavi Jha shall be entitled to receive the remuneration on the terms and conditions set out at clauses G to K below:

G. Salary:

Rs.21,00,000/- (*Rupees Twenty One Lacs only*) per annum. Increment – as may be decided by the Board of Directors /Remuneration Committee of Directors, from time to time.

H. Perquisites:

In addition to Salary, a basket of allowances/perquisites upto Rs. 9lacs per annum, which will include reimbursement of expenditure or allowances in respect of rent-free furnished accommodation owned, leased or rented by the Company or House Rent Allowances in lieu thereof, repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursement, health insurance premium, group personal accident insurance, telephone facility at residence, mobile phone, leave travel concession, for herself and her family; education of self and family, fees for two clubs, fees for two credit cards, Company's car with a driver and maintenance, and any other reimbursements, allowances or perquisites in terms of the Company's Rules.

"Family" mentioned above means the spouse, dependent parent and dependent children of the Managing Director, as mentioned in the applicable Rules or Schemes.

The following shall not be included for the purposes of computation of the Managing Director's remuneration or perquisites as aforesaid:

- (i) Company's contribution to Provident Fund and Superannuation Fund pursuant to the Rules of the Company;
- (ii) Gratuity payable pursuant to the Rules of the Company;
- (iii) Encashment of leave at the end of tenure as per the Rules of the Company.
Perquisites shall be evaluated as per the applicable provisions of the Income Tax Rules.

I. Commission

Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point No. K.

J. The total remuneration including salary, allowances, perquisites and commission shall not exceed the limits specified in schedule XIII of the Companies Act, 1956.

K. Minimum Remuneration:

Notwithstanding anything hereinabove, where in any financial year during the currency of her tenure as a Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisite as above subject to the ceiling specified under Section II of Part II of the Schedule XIII to the Companies Act, 1956.

"RESOLVED FURTHER THAT on receipt of the approval of the Central Government the amount of remuneration on the terms mentioned in clauses A to F above, as approved by the Central Government for the period

from 1st April, 2011 till the date of the receipt of the approval as reduced by the Remuneration already paid to the Managing Director on the terms mentioned in clauses G to K above for the said period, be paid to Ms. Pallavi Jha, the Managing Director in lump sum and that after the date of the approval, Ms. Pallavi Jha shall be paid the remuneration as per the terms and conditions approved by the Central Government. RESOLVED FURTHER THAT the terms and conditions of the above appointment may be altered and varied from time to time by the Board of Directors ('the Board' which term shall be deemed to include Remuneration Committee thereof) as it may in its discretion deem fit within the maximum amount payable to the Managing Director in accordance with the Companies Act, 1956 and as may be agreed to by the Managing Director.

RESOLVED FURTHER THAT Ms. Pallavi Jha, being a Director liable to retire by rotation, her re-appointment as such Director shall not be deemed to constitute a break in her appointment as Managing Director.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors, (herein after referred to as "the Board" which term shall be deemed to include any duly authorised committee thereof, for time being exercising the powers conferred by the Board by the resolution) be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications, as may be required under the Companies Act, 1956."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the resolution passed by the Members at the 90th Annual General Meeting of the Company held on August 30, 2010 and pursuant to the provisions of Sections 198, 269, 309, 310 and 311 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with and in accordance with the conditions specified in Schedule XIII to the said Act, pursuant to the Articles of Association of the Company and subject to the approval of the Shareholders of the Company by way of the Special Resolution and the Central Government and such other approvals as may be necessary and as recommended and approved by the Remuneration Committee, the Board of Directors hereby approves the re-appointment of Mr. Sanjay Jha, as Whole Time Director of the Company with effect from April 01, 2011 on the fresh terms & conditions including remuneration as are set out at clauses A to F below:

A. Period of Appointment : 01.04.2011 to 31.03.2014 (3 years)

B. Salary : Rs. 23,00,000/- (Rupees Twenty Three Lacs Only) per annum.
Increment upto 20% per annum as may be decided by the Board of Directors / Remuneration Committee.

C. Perquisites:

In addition to Salary, a basket of allowances/perquisites upto Rs. 10 lacs per annum, which will include reimbursement of expenditure or allowances in respect of repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursement, health insurance

premium, group personal accident insurance, telephone facility at residence, mobile phone, leave travel concession, for himself and his family; education of self and family, fees for two clubs, fees for two credit cards, Company's car with a driver and maintenance, and any other reimbursements, allowances or perquisites in terms of the Company's Rules.

"Family" mentioned above means the spouse, dependent members and dependent children of the Whole Time Director, as mentioned in the applicable Rules or Schemes. The following shall not be included for the purpose of computation of the Whole Time Director's remuneration or perquisites as aforesaid:

- (i) Company's contribution to Provident Fund and Superannuation Fund pursuant to the Rules of the Company;
 - (ii) Gratuity payable pursuant to the Rules of the Company;
 - (iii) Encashment of leave at the end of tenure as per the Rules of the Company.
- Perquisites shall be evaluated as per the applicable provisions of the Income Tax Rules.

D. Commission/ Performance Pay

Such amount for each financial year as may be decided by the Board, subject to the maximum of 6 months salary.

E. Minimum Remuneration:

Where in any financial year during the currency of his tenure as a Whole Time Director, the Company has no profits or its profits are inadequate, Mr. Sanjay Jha shall be entitled to receive above remuneration including perquisites, commission / performance pay, etc. as minimum remuneration.

F. Termination: The appointment is liable for termination by either party giving 6 months' notice in writing to the other.

RESOLVED FURTHER THAT the resolution passed at the Annual General Meeting held on August 30, 2010 intended to be superseded hereby shall cease to have effect from 1st April, 2011.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 198, 269, 309, 310 and 311 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with and in accordance with the conditions specified in Schedule XIII to the said Act, till the approval of the Central Government is received, the Whole Time Director- Mr. Sanjay Jha shall be entitled to receive the remuneration on the terms and conditions set out at clauses G to K below:

G. Salary :

Rs.21,00,000/- (Rupees Twenty One Lacs only) per annum.
Increment – as may be decided by the Board of Directors / Remuneration Committee of Directors, from time to time.

H. Perquisites:

In addition to Salary, a basket of allowances/perquisites upto Rs. 9 lacs per annum, which will include reimbursement of expenditure or allowances in respect of repairs and maintenance of accommodation including furniture, fixtures and furnishings and provision of gas, electricity and water, medical reimbursement, health insurance premium, group personal accident insurance, telephone facility at residence, mobile phone, leave travel concession, for himself and his family; education of self and family,

fees for two clubs, fees for two credit cards, Company's car with a driver and maintenance, and any other reimbursements, allowances or perquisites in terms of the Company's Rules.

"Family" mentioned above means the spouse, dependent unmarried sister and dependent children of the Whole Time Director, as mentioned in the applicable Rules or Schemes.

The following shall not be included for the purposes of computation of the Whole Time Director's remuneration or perquisites as aforesaid:

- (i) Company's contribution to Provident Fund and Superannuation Fund pursuant to the Rules of the Company;
- (ii) Gratuity payable pursuant to the Rules of the Company;
- (iii) Encashment of leave at the end of tenure as per the Rules of the Company.
Perquisites shall be evaluated as per the applicable provisions of the Income Tax Rules.

I. Commission

Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point No. K.

- J.** The total remuneration including salary, allowances, perquisites and commission shall not exceed the limits specified in schedule XIII of the Companies Act, 1956.

K. Minimum Remuneration:

Notwithstanding anything hereinabove, where in any financial year during the currency of his tenure as Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisite as above subject to the ceiling specified under Section II of Part II of the Schedule XIII to the Companies Act, 1956.

RESOLVED FURTHER THAT on receipt of the approval of the Central Government the amount of remuneration on the terms mentioned in clauses A to F above, as approved by the Central Government for the period from 1st April, 2011 till the date of the receipt of the approval as reduced by the remuneration already paid to the Whole Time Director on the terms mentioned in clauses G to K above for the said period, be paid to Mr. Sanjay Jha, the Whole Time Director in lump sum and that after the date of the approval, Mr. Sanjay Jha shall be paid the remuneration as per the terms and conditions approved by the Central Government.

RESOLVED FURTHER THAT the terms and conditions of the above appointment may be altered and varied from time to time by the Board of Directors ('the Board' which term shall be deemed to include Remuneration Committee thereof) as it may in its discretion deem fit within the maximum amount payable to the Whole Time Director in accordance with the Companies Act, 1956 and as may be agreed to by the Whole Time Director.

RESOLVED FURTHER THAT Mr. Sanjay Jha, being a Director liable to retire by rotation, his re-appointment as such Director shall not be deemed to constitute a break in his appointment as Whole Time Director.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors, (herein after referred to as "the Board" which term shall be deemed to include any duly authorised committee

thereof, for time being exercising the powers conferred by the Board by the resolution) be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary or desirable or to settle any question or difficulty that may arise in such manner as it may deem fit and also, to make such alterations and modifications, as may be required under the Companies Act, 1956."

By order of the Board

Pallavi Jha

Chairperson & Managing Director

Place : Mumbai

Date : May 10, 2011

Registered Office:

1, Construction House,
5, Walchand Hirachand Marg,
Ballard Estate, Mumbai – 400 001.

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and the proxy need not be a member of the Company. Under the Companies Act, 1956, voting is by a show of hands unless a poll is demanded by a member or members present in person, or by proxy, holding at least one-tenth of the total shares entitled to vote on the resolution or by those holding paid-up capital of at least Rs. 50,000. A proxy shall not vote except on a poll. The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. An Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the special business to be transacted at the meeting in annexed hereto.
3. Members /Proxies should bring duly-filled Attendance Slips sent herewith to attend the meeting.
4. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Register of Members and Share Transfer Books of the Company will remain closed from July 21, 2011 to July 28, 2011 (both days inclusive) for the purpose of Annual General Meeting .
7. Members holding shares in physical form and desirous of making/changing nomination in respect of their shareholding in the Company, may send their request in the prescribed Form 2B to the Registrar & Transfer Agents of the Company.
8. Corporate Members are requested to send to the Company, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
9. Members desirous of obtaining any information on the Accounts and Operations of the Company are requested to write at least one week before the meeting so that the same could be compiled in advance.
10. Members are requested to notify changes, if any, in their registered addresses along with the pin code to the Company's Registrar and Share Transfer Agent.
11. Members are requested to bring their copy of Annual Report to the Meeting.
12. All documents referred to in the notice are open for inspection at the registered office of the Company between 10.30 A. M. and 1.00 P.M. on all working days up to the date of the Meeting.
13. Members whose shareholding is in electronic mode are requested to direct change of address notifications and updations of savings bank account to their respective Depository Participants.
14. Member are requested to address all correspondences, including dividend matters, to the Registrar & Transfer Agents, M/s. Computech Sharecap Limited, "Computech", 147, Mahatma Gandhi Road, Fort, Mumbai – 400 023, Tel No: 22635001-2, Fax No.: 22635005, Email :helpdesk@computechsharecap.com.
15. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Mr. Vivek Wadhavkar, Compliance Officer, at the Company's registered office.

Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per section 205 C of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.

16. The following are the details of dividend paid by the Company and its respective due date of transfer to such fund of the Central Government, which remain unpaid:

Sr. No.	Date of Declaration	Dividend for the year	Due date of transfer to the Government
1	30 th January, 2006	Interim Dividend 2005-06	01 st March, 2013
2	31 st August, 2006	Final Dividend 2005-06	30 th September, 2013
3	27 th July, 2007	Final Dividend 2006-07	26 th August, 2014
4	30 th September, 2008	Final Dividend 2007-08	29 th October, 2015

It may be noted that no claim of the shareholders will be entertained for the unclaimed dividend which has been transferred to the credit of the Investor Education & Protection Fund of the Central Government under the provisions of Section 205(B) of the Companies Act, 1956. In view of the above, those Shareholders who have not encashed their dividend warrants are advised to send the entire unclaimed dividend warrants to the Registrar & Transfer Agents or to the Registered Office of the Company for revalidation and encash them before the due date for transfer to the Central Government.

17. Particulars of the dividend transferred to the General Revenue Account of the Central Government i.e. Investor Education & Protection Fund during the Financial Year ended 31st March, 2011 pursuant to Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978:

Sr. No.	Date of Declaration of Dividend	Dividend for the Financial Year	Amount transferred to Investor Education & Protection Fund (Rs.)	Date of transfer to Investor Education & Protection Fund
NIL	NIL	NIL	NIL	NIL

18. As per the provisions of the Companies Act, 1956, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer Agents of the Company.
19. Members seeking any information or clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the meeting to enable the Company to compile the information and provide replies at the meeting.
20. Information under clause 49 of the listing agreement relating to directors retiring by rotation and seeking re-appointment is given at **Annexure 1**.

By order of the Board,

Pallavi Jha
Chairperson & Managing Director

Place : Mumbai
Date : May 10, 2011

EXPLANATORY STATEMENT

Pursuant to Section 173 (2) of the Companies Act, 1956

Item No. 5 & 6:

The equity shares of the Company are listed on Bombay Stock Exchange Limited (BSE). The shares are actively traded on BSE. In order to improve the liquidity of the Company's shares in the stock market and to make it affordable to the small investors, the Board of Directors of the Company ("the Board") at its meeting held on May 10, 2011, considered it desirable to sub-divide the nominal value of the equity shares of the Company from Rs.100/- per share to Rs. 10/- per share. Article 69 of the Articles of Association of the Company permits the said sub-division.

In view of the foregoing, the existing Capital Clause V of the Memorandum of Association and Clause 4 of the Articles of Association are required to be altered in order to give effect to the sub-division. Presently, the authorised share capital of the Company stands at Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 23,00,000/- (Twenty Three Lacs) Equity shares of Rs. 100/- each and 2,00,000 (Two Lacs) Preference Shares of Rs. 100/- each. Subsequent upon the sub-division, the Authorized Share Capital of the Company would be Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) divided into 2,30,00,000/- (Two Crore Thirty Lacs) Equity shares of Rs. 10/- (Rupees Ten Only) each and 2,00,000 (Two Lacs) Preference Shares of Rs. 100/- each. Further, the Board is of the opinion that it is more appropriate to state the particulars of the Authorized Share Capital in the Memorandum of Association and the Company's power to modify the Authorised Share Capital and attached rights thereto should be stated in the Articles of Association. As a result of this, when the Authorised Share Capital of the company is altered, only the Memorandum of Association would be required to be altered and not the Articles of Association.

The aforesaid sub-division and consequent alterations in the Memorandum & Articles of Association require the approval of the Shareholders under the provisions of the Companies Act, 1956. The Board accordingly recommends the resolutions to be passed as ordinary resolution and special resolution set out at item no. 5 & 6 of the accompanying notice respectively. Your approval is sought for the same.

After the resolutions have been adopted by the members, the Company will fix a record date for splitting the share certificates. Upon approval of the members for sub-division of shares, in case the shares are held in physical, the old share certificates of the face value of Rs. 100/- each will be cancelled on the record date and new share certificates of face value of Rs. 10/- each will be issued in place of the old share certificate. In case the shares are in dematerialized form on the record date, the sub-divided shares of Rs. 10/- each will be directly credited to the members demat account in lieu of their existing shares of Rs. 100/- each.

None of the Directors of the Company is interested in the aforesaid resolutions except to the extent of their respective shareholdings in the Company and shareholdings in the Company of their relatives and/or concerns/companies/bodies corporate in which they may be interested directly either as a member/s and/or as a Director/s and/or otherwise.

Item No. 7 & 8:

At the 90th Annual General Meeting held on August 30, 2010, members of the Company approved the re-appointment of Ms. Pallavi Jha as Managing Director for a period of 3 years with

effect from 26.7.2010. The members also approved the re-appointment of Mr. Sanjay Jha as Whole-Time Director for a period of 3 years with effect from 27.07.2010.

The Remuneration Committee of the Company's Board of Directors reviewed the remuneration packages of the Managing Director and Whole Time Director of the Company with a view to align such package with the best practices prevailing in the corporate world and in the Training and Development Sector globally. The Remuneration Committee decided to revise the terms and conditions of the re-appointment of the Managing Director and the Whole Time Director. In view of such revision, the Company proposes that the existing contract of re-appointment of the Managing Director and the Whole Time Director, as approved by the resolutions passed in 90th AGM, expiring in July 2013, be mutually terminated and the Managing Director and the Whole Time Director be re-appointed for a fresh term of 3 years from April 1, 2011 on the terms set out in the special resolution proposed at Item no. 7 and 8 of the accompanying notice.

The principal terms of the revision are:

	Particulars	Proposed Rs in Lacs (per annum)	Existing Rs in Lacs (per annum)
	Chairperson and Managing Director		
A	Salary	24.00	21.00
B	Perquisites	10.00	9.00
C	Commission	Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point No. D below	Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point No. D below
D	Total limits	The total remuneration including salary, allowances, perquisites and commission shall not exceed the limits approved by the Central Government.	The total remuneration including salary, allowances, perquisites and commission shall not exceed the limits specified in schedule XIII of the Companies Act, 1956.
	Whole- Time Director		
A	Salary	23.00	21.00
B	Perquisites	10.00	9.00
C	Commission	Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point No. D below	Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point No. D below
D	Total limits	The total remuneration including salary, allowances, perquisites and commission shall not exceed the limits approved by the Central Government.	The total remuneration including salary, allowances, perquisites and commission shall not exceed the limits specified in schedule XIII of the Companies Act, 1956.

The Remuneration Committee comprising of independent Directors namely Dr. S. C. Jha, Mr. M.N. Bhagwat and Mr. V. K. Verma, approved and recommended the remuneration as set out in the body of the resolution which the Board has agreed to offer by its resolution dated 10.05.2011. The remuneration proposed is in accordance with Section 198, 269, 309, 310 and 311 of the Companies Act, 1956 except that it exceeds the

limits specified in schedule XIII to the Companies Act, 1956 for which the prior approval of the Central Government is required under the provisions of the Companies Act, 1956. Further on passing of the resolutions set out in the accompanying Notice at item no. 7 & 8, the resolutions passed by the Members at the Annual General Meeting held on August 30, 2010 for re-appointment of Managing Director and Whole Time Director, aforesaid will cease to have effect from 1st April, 2011. It is clarified that during the period pending the approval of the Central Government, the Managing Director and the Whole Time Director shall be entitled to receive the remuneration on the terms and conditions, set out at clauses G to K of the respective resolutions in the accompanying Notice, which are in accordance with Schedule XIII to the Act. On receipt of the approval of the Central Government the amount of remuneration on the terms mentioned in clauses A to F of the respective resolutions in the accompanying Notice, as approved by the Central Government for the period from 1st April, 2011 till the date of the receipt of the approval of the Central Government, as reduced by the amount of Remuneration already paid to the Managing Director and the Whole Time Director on the terms mentioned in said clauses G to K above for the said period, shall be paid to the Managing Director and the Whole Time Director, respectively in lump sum and that after the date of the approval, they shall be paid the remuneration as per the terms and conditions approved by the Central Government.

The Company has not made any default in repayment of any of its debts (including deposits) or debentures or interest payable thereon for continuous period of 30 days in the preceding financial year before the date of re-appointment of the Managing Director and the re-appointment of the Whole time Director.

The aforesaid revisions in the terms of re-appointment of Ms. Pallavi Jha as Managing Director and Mr. Sanjay Jha as Whole Time Director, requires the approval of the Shareholders under Section 269, 309, 310 and 311 of the Companies Act, 1956 read with Schedule XIII to the Act. The Board accordingly recommends the resolutions to be passed as special resolution, set out at item no. 7 & 8 of the accompanying notice. Your approval is sought for the same.

Ms. Pallavi Jha and Mr. Sanjay Jha are interested in the resolutions as it pertains to re-appointment of Managing Director and re-appointment of Whole time Director respectively at Item No. 7 and 8 and remuneration payable to them. Mr. Sanjay Jha, being husband of Ms. Pallavi Jha is deemed to be concerned or interested in the resolution at item no. 7. Ms. Pallavi Jha, being wife of Mr. Sanjay Jha is deemed to be concerned or interested in the resolution at item no. 8. None of the other Directors of the Company is in any way concerned or interested in this resolution.

This explanation together with the notice is and should be treated as abstract of the terms of re-appointment of Ms. Pallavi Jha as Managing Director of the Company and re-appointment of Mr. Sanjay Jha as Whole time Director of the Company and a Memorandum as to the nature of the concern or interest of the Directors in the said re-appointments, as required under Section 302 of the Companies Act, 1956.

Information required on the matter pursuant to Section II, Part II of Schedule XIII to the Act and Clause 49 - IV (G) of the Listing Agreement is given at **Annexure 2**.

By order of the Board

Pallavi Jha
Chairperson & Managing Director

Place : Mumbai
Date : May 10, 2011

Registered Office:
1, Construction House,
5, Walchand Hirachand Marg,
Ballard Estate, Mumbai – 400 001